



ECONOMIC DEVELOPMENT ASSISTANCE POLICY & PROCEDURES GUIDE

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Definitions:

- Applicant:** A person, business or organization applying to PLEDCO for financial assistance for an economic development project.
- Application:** Those documents that constitute an application to PLEDCO for financial assistance.
- Board of Directors:** The Directors of the Primrose Lake Economic Development Corporation as chosen by the four communities.
- Executive:** The President, Vice-President and Secretary-Treasurer of PLEDCO as elected from and by the Board of Directors.
- Executive Director:** The Executive Director of Operations as appointed by the PLEDCO Board of Directors.
- Financial Assistance:** A grant, contribution of other means of financial assistance made by PLEDCO to an economic development project.
- Primrose Lake Economic Development Corporation (PLEDCO):** A non-profit corporation registered under the laws of Saskatchewan. The Corporation represents the four Primrose Lake area communities of Beauval, Ile a la Crosse, Jans Bay and Cole Bay. The Corporation’s purpose is to receive and manage the grants of economic development funds from the agreements with the federal and provincial governments.
- Recipient:** A recipient of a grant, contribution or other financial assistance from PLEDCO.
- Resident:** An individual who’s normal living residence is in one of the four Primrose Lake area communities and has resided there for at least 1 year and is eligible to vote in a civic election in that community.
- Sustainable Economic Development:** A project that leads to an incremental long term growth of the Primrose Lake area economy.



1.0 General Eligibility of Projects

The Primrose Lake Economic Development Corporation (PLEDCO) will consider projects related to:

- business development
- economic development
- strategic infrastructure
- training
- education
- job creation

Project must contribute to sustainable economic development for the community or region and result in incremental activity to the local economy.

PLEASE NOTE: Requests for assistance related to normal operating costs or equipment replacement will normally be **ineligible** for assistance.

Applications from a variety of sectors will be considered. This includes:

- retail and service
- tourism
- transportation
- resource industries
- business development organizations
- Traditional resource applicants will be required to participate in the Primary Producer Incentive Program
- The executive director will use the Business Incentive Program guidelines to determine the eligibility of applicants

2.0 Specific Types of Eligible Projects

PLEDCO will consider providing assistance for the following applications:

- Request for a contribution to the capital assets or working capital costs of a business start-up or expansion.
- Request for a contribution to the equity requirement of a business start-up or expansion.
- Request for assistance related to a marketing, business improvement, business and entrepreneurial skills, skills recruitment or business planning project.
- Request for assistance related to a strategic economic infrastructure projects.
- Request for assistance related to a project that improves educational opportunities for area residents.
- Projects for planning and development related to enhanced regional business development.

3.0 Eligible Applicants



Applicant must be a resident, business or organization with its office and business premises in the communities of Jans Bay, Cole Bay, Beauval and Ile a la Crosse. *The Board shall use its authority, expertise and discretion to determine eligibility for any questionable circumstances.*

4.0 Form of Assistance

Applicants should note that PLEDCO will only cover up to 50% of the project costs and it is expected that a personal contribution be made by the individual/business to the project. *The Board shall use its authority, expertise and discretion to determine eligibility for any questionable circumstances.*

Economic Development Assistance

Assistance will generally be in the form of a grant or contribution of cash for a specific project. The final form of assistance and method of payment shall be at PLEDCO's discretion. PLEDCO will make **direct payments to suppliers** on the Client's behalf upon receipt of supplier or contractor invoice or on pre-approved paid invoices.

- PLEDCO does not provide loans or loan guarantees. There are several economic development lenders active in PLEDCO's region.
- PLEDCO does not make equity investments or take ownership positions such as a purchase of common or preferred shares.

Business Planning/ Marketing & Management/ Aftercare / Business Improvement

Assistance for business planning is available. Where possible, applicants will be referred to other agencies to apply for assistance for business planning in addition to submitting a PLEDCO application. The PLEDCO board will consider contributions for the business plan up to 50% of the cost to a maximum of \$10,000. This includes a blend of contributions from other agencies, PLEDCO and the individual.

Training & Education Opportunities

Assistance for organizations providing training & education opportunities especially in the area of business & entrepreneurship will be considered for a contribution. An annual training & education budget of \$25,000 will be set aside each year for the purpose of investing in those opportunities which the board consider beneficial to the contribution of economic sustainability for the region.



Municipalities

The 4 member communities of PLEDCO shall be eligible for up to 60% of the annual Canadian Infrastructure Fund. This 60% will be split evenly between them. The communities have the option of using the fund until exhausted yearly or to let it accumulate year to year for a bigger project. Communities shall also have the option to take from another community's allotment with support from the affected community. A standard application shall still be submitted. This allotment does not disqualify the communities from submitting additional infrastructure applications.

The PLEDCO board has final say on eligible projects and how much money is transferred into the Canadian Infrastructure Fund at its yearly finance meeting.

5.0 Application Requirements

1. Applicants to complete and sign a PLEDCO application form.
 - If proof of residency is required, a letter from the village or hamlet in which the applicant resides may be requested stating that the individual is an eligible voter and has resided there for at least 1 year.
 - Community Development Corporations (CDCs) should include a letter signed by the Chairperson of the Corporation addressing the **motion** made by the Board of Directors supporting the application to PLEDCO.
2. A **business outline** will be required if the 'Total Project Cost' is \$25,000 or under. The PLEDCO application defines what other information is required. A **business plan**, in acceptable form, that clearly describes the project, the expected benefits and project costs and funding will be required for any projects with a 'Total Project Cost' over \$25,000.
3. Established businesses and organizations to provide financial statements for their last two completed fiscal years. PLEDCO may request an interim financial statement or internal financial reports.
4. Annual reports, business plans, strategies and analyses, policy statements, brochures, marketing materials and other business and organizational documents are to be submitted if available.
5. Concurrent applications to other agencies if feasible. Executive Director may refer applicants to other agencies. Due to PLEDCO's limited resources, PLEDCO needs to leverage others' funds if at all possible.
6. Applications from business entrepreneurs are expected to meet the qualifications of other business development agencies relevant to the project. For instance, entrepreneurs and businesses requiring business loans must meet the basic eligibility criteria of economic development lenders in order to be considered for PLEDCO assistance.



7. Completed application forms must be received a minimum of **7 business days before** the next board meeting in order to be considered at that board meeting. Please note that submission of a completed application form is the minimum requirement, and the board has the right to request additional information before making any decision. PLEDCO board meetings will be held on the first Monday of every month.

6.0 Process for Consideration of Application for Economic Development Assistance

The following is a generalized application process; additional steps or information may be requested or required as part of an individual, business or organization's application.

1. Once all adequate information is provided to PLEDCO by the applicant, the Executive Director will review and prepare a summary and an opinion on the application for the Board.
2. All applications to come before a duly convened meeting of the Board for consideration and decision; unless the project is obviously ineligible or the application is incomplete. The Executive Director will inform Board of all applications and referrals.
 - The Board may choose to consider an application via pre-arranged conference call or email due to extraordinary circumstances.
3. Board members and staff must self-declare any conflicts. Should the Board be of the opinion that a conflict exists, the board recommends that the member remove themselves from the room for the vote on the application. The Secretary shall record the Member's absence for the vote. The Board shall exercise judgment and discretion in matters of potential, perceived or real conflicts.
4. The Executive Director to inform applicants in writing of Board decisions as soon as possible.
5. In extraordinary circumstances only, and by special arrangement, the Board may hear verbal submissions from an applicant. All notices must be in 7 days prior to the board meeting.
6. Letter of Offer to recipient shall state that PLEDCO has the right to publicize its grants, contributions and other support, subject to the requirement for confidentiality of clients' personal and business details. PLEDCO's right to publicize may include at a minimum, the recipient name, community, form of assistance and amount of assistance.



7. Letter of Offer to recipient shall state that PLEDCO monies to be expended for stated purposes; otherwise PLEDCO may demand repayment and suspend any further payment. The Board may consider a request to amend the application.
8. Applicants may appeal a decision.
9. PLEDCO may consider multi-year applications subject to cash flow availability. Applicants must recognize that the availability of funding in future years cannot be guaranteed.
10. Any attempt by an applicant to mislead PLEDCO by supplying false and/or misleading information will result in rejection of the applicant and/or a request for repayment of any assistance supplied and cessation of any further payment.
11. PLEDCO's Administrative Assistant shall keep a log of all applications received and a record of all communications with the applicant. The log shall include a note explaining what items were included in the application. Each application shall have a file.

7.0 Follow-up Procedures

1. PLEDCO may, from time to time, follow-up with the applicant to determine the outcome of the project. This information will be utilized for the purposes of the annual reporting requirements of the corporation.
2. The applicant will provide PLEDCO with a brief summary of the project and the impact it has had on the local economy, including reports on number of jobs the project may have created, any new training or education opportunities it has generated, new services it has provided for the community or region and the general feedback it has created, etc. Any additional information about the business/opportunity the applicant feels relevant to include in the reporting.
3. The applicant will provide a summary of how PLEDCO's contribution helped achieved their project goals including how other agencies/organizations were utilized in partnership with PLEDCO's contribution (CCDF, SMEDCO, BRCFDC, NEFI, etc.)
4. As per the agreement signed by the applicant, PLEDCO reserves the right to publish the level of assistance contributed to the applicant's project for promotional purposes. Normally these will be published in the PLEDCO newsletter, website and other communication mediums utilized by the corporation.

8.0 General Policies

1. The PLEDCO Board of Directors shall determine the application of income received from the Trustee in any year.
2. Carryover of uncommitted funds from year to year for individual communities may be considered, subject to 8.1.



3. The PLEDCO Board of Directors may support a for-profit business corporation or other business enterprise, joint-venture, partnership or other agreement or arrangement that operates on behalf of the four member communities. At PLEDCO's decision, funding for such enterprise may be derived from the income received from the Trustee.
4. The PLEDCO Board of Directors may add to, delete from or amend its Policies and Procedures at its discretion. Any changes shall be by Board consideration and approval. Such changes shall be made available to the stakeholders.
5. The PLEDCO Board of Directors shall be the final authority for the interpretation or meaning of anything in its Policies and Procedures.
6. Projects that either benefit more than one member community or, adopt a regional approach are encouraged.
7. Concurrent applications for assistance to other economic development and training agencies are strongly encouraged where possible. This recognizes the limited amount of funding PLEDCO has available. Training and education, in particular, typically have ample funding available from other agencies.

9.0 Limitations

1. The contribution from PLEDCO generally will never exceed 50% of the Total Project Cost.
2. Applications by individuals for start-up businesses or existing businesses will be limited to receive a maximum contribution of \$10,000 over 5 years to go towards a single project or multiple business projects excluding Business Planning/ Marketing & Management/ Aftercare / Business Improvement
3. Community Development Corporations (CDCs) should work with the Executive Director to discuss upcoming development and strategic plans in order to effectively plan for their projects. Generally, a maximum contribution up to \$50,000 per project will be used as a guideline for Community Development Corporation projects based on availability of funds.
4. Municipalities should work with the Executive Director to discuss upcoming development and strategic plans in order to effectively plan for their projects. Generally, a maximum contribution up to \$50,000 per project will be used as a guideline for Municipalities projects based on availability of funds. Regional initiatives will be weighted and joint submissions may be discussed by the board. (This policy is in addition to the Municipal Infrastructure Policy)
5. Projects are to be completed in a reasonable amount of time. A default period of 1 year will be granted to the applicant upon the date they sign and date the Letter of Offer to complete the stipulations set forth by the letter and provide supporting documentation to PLEDCO.
6. Applications to reimburse pre-committed or expended funds will not be considered by the PLEDCO Board.



Appendix

Detailed Descriptions of Eligible Projects

PLEDCO will consider providing assistance for the following applications:

Request for a contribution to the capital assets or working capital costs of a business start-up or expansion.

A business start-up or expansion must be incremental to the region's economy to be eligible. This means that it must do more than replace a service or good already supplied in the region. Projects that have the potential to displace outside suppliers of goods or services are eligible. The project must not be short term in nature.

The Board will carefully consider the support of any project that will compete with existing local suppliers of goods and services. Factors that will be considered will include the market's size, market potential, level of service and whether the project will improve the local economy.

Eligible costs include building, plant, machinery, fixtures, office equipment, transport equipment and other long life assets that are related to a business start-up or expansion. Costs of design, engineering, legal, professional accounting, construction, installation of equipment and fixtures are eligible costs. Costs of insurance, utilities, wages and other operating costs during a start-up period of reasonable duration are eligible.

Land costs are ineligible. Owner supplied labor is an ineligible cost.

Request for a contribution to the equity requirement of a business start-up or expansion.

Economic development financial agencies (Beaver River Community Futures, SMEDCO, CCDF, ABC, etc.) typically require that the project proponent contribute 5-20% of total project costs as cash equity. Chartered banks and credit unions will often have greater equity requirements.

The intent of b) is for PLEDCO to consider providing contributions that assist entrepreneurs and businesses in meeting the equity requirements of other economic development and financial agencies. It is appreciated that equity is often scarce in the Primrose Lake region. As PLEDCO funding is limited, and it does not provide loans, PLEDCO will typically neither be the lead financier nor key decision-maker on funding decisions. PLEDCO will typically not be the sole contributor to business projects.

See above for explanation re: business start-up or expansion.



Request for assistance related to a marketing, business improvement, business and entrepreneurial skills, skills recruitment or business planning project.

- A marketing or sales project will attract additional business or new clientele to the Primrose Lake area. It is to be an extraordinary one-time project that is not considered to be normal advertising and sales costs for the business. Examples of costs that could be considered under this category include a professional marketing or sales consultant, costs related to participating in a trade show, costs of developing marketing materials or a trade show booth, extraordinary advertising, costs of developing an internet marketing site, costs related to participating in a group sales campaign, special trade association on a one-time basis.
- A business improvement project would normally include one-time costs associated with such items as new/upgraded hardware and software systems, reservations and other hospitality industry systems, maintenance planning and systems development, implementation or upgrade, asset management systems training and implementation, development of work place safety protocols, training and certification such as ISO 9000, communication systems, accounting/financial upgrades, etc.
- Business and entrepreneurial skills project could include activities related to skills training, short courses, books and manuals, mentoring and professional advisory services in areas such as accounting, finance/banking, information systems, human resources, business planning, strategic planning, human resource management, operations management, sales/marketing, maintenance planning, asset management, quality control/management, supply chain management, front line staff skills, business start-up, succession planning, etc.

One of the key criteria in this category is that the project leads to an upgrade of key business and entrepreneurial skills among local people; as opposed to a one-off service or special project delivered by a consultant or advisor.

- A skills recruitment project would entail activities such as advertising, attraction, selection and recruitment for professional, technical, trades or other skilled workers that are otherwise unavailable or in short supply in the Primrose Lake area. The costs of such a project would be eligible if the recruitment of these skills would be necessary for the area's business growth and economic development.

Applications from a variety of organizations may be possible under this category.

- Business planning projects are essential to guide business start-ups, expansions, contractions, shut-downs and on-going activities. Every business and organization should include business planning as part of their normal cycle of yearly activities. Business plans need to be updated on a regular basis. Good business plans include measurable objectives that allow management to compare results to plan. Economic development lenders and banks frequently require businesses and entrepreneurs to develop a well prepared business plan before any decisions are made on the request for financing.

While organizations such as the Clarence Campeau Development Fund, Aboriginal Business Canada and Saskatchewan Northern Affairs frequently provide assistance for business planning, typically up to 70% of total project costs, - PLEDCO can consider making a contribution to the business planning costs not covered by these other agencies.



Request for assistance related to a strategic economic infrastructure project.

Projects to result in new or improved infrastructure works in the Primrose Lake area that will facilitate or promote increased economic activity for the long term benefit of the Primrose Lake area. Projects may include roads, highways, public transport facilities, water or sewer facilities, skills training facilities, electronic telecommunications, energy systems such as grid hook-ups, micro energy projects or retrofit of sustainable energy systems, capital/infrastructure planning, specialized infrastructure for major industrial development, and any other buildings or infrastructure for a similar purpose.

Projects that result in the construction, restoration or improvement of facilities and sites for public arts, culture and heritage. Examples in this category might include museums, designated heritage sites, municipal libraries and community or cultural centers.

Applications for assistance under this category might come from businesses, municipalities, development corporations, the not-for-profit sector and others. It is expected that PLEDCO will rarely be the sole funder on infrastructure projects. PLEDCO's funding is very limited when compared to the size of many infrastructure projects. Never-the-less, PLEDCO's support may have the potential to be strategic in nature, demonstrating local commitment to a project, and leveraging other funders to make larger contributions.

Request for assistance related to a project that improves educational opportunities for area residents.

- Training & education opportunities, especially those relating to business & entrepreneurship.

Projects for planning and development related to enhanced regional economic and business development.

Examples of projects that could be considered for support under this category of assistance could include:

- The start-up or special project costs of a regional board of trade, contractors' association, tourism association or other regional organization whose primary goal is to further business development.
- PLEDCO could consider making a contribution to the start-up, operating or special project costs of a for-profit regional business development corporation or other business entity to be owned by more than one of the four Primrose Lake area communities.
- A regional business or economic development planning project.
- A regional capital/infrastructure planning or needs identification project.